

Extracts from The Kuala Lumpur English Press.

The Malayan Daily News - 3 June 1947.

ASIATIC ESTATES ALSO CUTTING TAPPING RATES.

At a meeting of the Council of the Malayan Estate Owners' Association held last Saturday it was decided to circularise its members recommending that all members should reduce their contract rates for tapping, curing and smoking charges by 20 per cent, on the pre-wintering rates.

The Malayan Daily News - 7 June, 1947.

BIG PLANS FOR PADI AND SUBSTITUTES

In the latest report of the Department of Agriculture, Malayan Union, is a special section on Emergency Food Production. On March 1 this year, the Short Term Food Production organisation was absorbed by the Department of Agriculture, and it is now known as the Food Production Branch. Its personnel, funds and equipment are being used to increase the acreage and yield of the 1947-48 wet padi crops and to encourage the planting of rice substitutes.

The main drive is divided into four parts:-

- (1) the encouragements of planning off-season padi substitute crops such as maize groundnuts and ragi;
- (2) the accelerated settlement of new padi areas and, in co-operation with the Drainage and Irrigation Department, the improvement of water conditions in existing ones so as to increase both the total acreage under wet padi and the yield next season;

- 2 -

- (3) the production of padi and padi substitute crops on such areas of the Government Farms as are considered likely to show fair results by mechanical and hand labour;
- (4) investigations into the possibilities of mechanical production of padi cultivated under both wet and dry conditions.

Surveys in all States of areas of padi fields uncultivated last season have been completed and steps are now being taken, in co-operation with the Drainage and Irrigation Department and Land Offices, to recover as large an acreage as possible for the 1947-48 crop. Major works, in addition to their normal programme, are being carried out by the Drainage and Irrigation Department which add 21,000 acres and improve irrigation on an additional 52,000 acres.

In Perak it was found that the building of temporary dams and the digging of drainage channels is necessary on some 60 small areas, comprising in all 12,000 acres. Many of these will be tackled by the Field Branch and, when necessary, former Farm Managers, now designated Food Production Officers, are being sent into the field to help in these matters.

In Kedah a loan of \$500,000 has been made available for the supply of bat guano to small holders and it is hoped that it will be possible to manure some 28,000 acres. With a little luck an increase of some 1,200 tons of rice early in 1948 may be expected from this project. Loans for the provision of buffaloes, which are necessary for the cultivation of deep padi areas, have been made in Pahang and Johore, where many animals were killed during the last four years. Improvements to bunds and access roads, mainly in the larger padi areas, are being carried out by means of bulldozers, and D.4's are already at work in the Sungai Manik area of Perak and in Endau and Kahang in Johore.

In March a Technical Committee from the Department visited all farms previously worked by the Short Term Food Production organisation to report on their suitability for cereal production and to recommendations regarding future programmes.

- 3 -

In general, their recommendations were:-

- (1) that work should cease immediately on all farms where the topography and soil were unsuitable for cereals, and funds and labour thus released to be used for the production of wet padi on irrigated schemes;
- (2) in those areas which are unlikely to give any worthwhile crops by mechanical methods, the land should be given out, as far as possible, to settlers for mixed farming;
- (3) on the more productive areas, that every effort should be made to produce a catch crop of groundnuts immediately and a crop of dry padi during the 1947-48 season.

These recommendations have now been put into effect, 169 acres of groundnuts being planted in farms in Province Wellesley and 170 acres of groundnuts and 21 acres of maize in farms in Selangor. Ulu Gali in Pahang is being turned into an irrigation scheme and settlers for the whole area appear to be available. Except for certain small areas, the other farms which are situated in Negri Sembilan and Johore, are being closed down and labour and funds thus freed are being used on wet padi areas.

Investigations in mechanical production of padi may be divided into two phases. The first of these is the clearing of jungle for new padi schemes, and the second the actual cultivation of the fields and the planting and harvesting of the crop. Investigations have already shown that normal methods of jungle clearing on deep padi fields by means of tractors or bulldozers are useless in such areas. The only forms of mechanisation which are likely to be of any value are those which can easily be manhandled and which must be kept on rafts or mattresses for operational purposes. Those likely to be of any value are light mechanical saws and winches or, preferably, mechanical winches. Attempts are being made to obtain such implements. Investigations with these will be carried out probably in Sungei Manik.

An area of 200 acres of level land of a peaty nature easily irrigated has been set aside in Stage IV. Sungei Manik, for investigations into the mechanical cultivation of padi. Preliminary trials with tractors have

- 4 -

indicated that normal agricultural forms of traction power are useless on this type of soil, as they get bogged immediately. Any attempts to cultivate such areas mechanically will be a failure unless lighter types of tractors can be found, and it is considered that something of the type of the Amphibious Cargo Carrier, known as the Weasel, may be suitable, and these are available in the country.

Similar proposals are now in hand for clearing jungle on shallow padi land. It is hoped to carry out trials in the Gelam forest of North Kedah, provided this area can be drained satisfactorily.

Searches for suitable land for the large scale cultivation of shallow padi fields have shown that all lands of this type are already alienated and land for the purpose must therefore be used with the permission of the owners. Some 50 acres at Kepala Datas in the north of Province Wellesley have now been selected, and arrangements are being made for trials to be carried out on a co-operative basis with the owners.

While it is not to be expected that the cultivation of dry padi by mechanical means will give economic results, investigations by mechanisation will be carried out on the Government Farm at Sungei Buloh.

The Malayan Daily News - 10 June, 1947.

MALAYAN INDIAN CONGRESS

The Malayan Indian Congress, in whose birth we played a leading part last year, has recorded a year of satisfactory progress. Although it itself has admitted that much remains to be done, it has accomplished within the short time since its inauguration an immense lot for the community and there is every expectation that it will continue to serve them towards the fulfilment of those objectives which it has set itself.

Indian disunity, in Malaya as in India, is a cause for much misgiving among those who are genuinely working in the interests of their compatriots as a whole, but it is gratifying to note that the leaders of the M.I.C. are fully

- 5 -

alive to the obstacles before them and are continually working towards an all-embracing membership, fully representative and as near 100 per cent. as possible. Not that the Congress, with its present 52 branches spread all over the peninsula, is not already a vast undertaking, working as it does without an axe to grind and under the capable leadership of a President who has left behind a lucrative legal practice to devote his full time and energies towards the improvement of the status of his countrymen.

From a perusal of the policies of the M.I.C. we are convinced that it is working along very sound and wise lines. In all its activities - the prohibition campaign, propagation of Hindustani as the national language of Hindustan, opposition to caste distinctions and discriminations observed in temples and burial grounds, relief work and assistance in repatriation, upliftment of the Indian labourer and the fight for what it called "the four freedoms of the Indian people in this country" - it has proceeded on basic decisions reached by the Congress as a body and not in accordance with individual wishes and opinions. These decisions were laid down at the inaugural conference held in Kuala Lumpur towards the end of last year, and since then the Congress has taken prompt and proper steps to implement the policies fixed.

The struggle waged by the M.I.C. in conjunction with the PMGJA and PUTRA against the Constitutional Proposals deserves special mention. In all respects the stand it has taken is a proper and sensible one. It has unequivocally declared for a single citizenship, and stated that in no circumstances would Congress appeal over the heads of the Malays to the British for particular benefits when framing the Constitution. It has, as it justly claimed, taken a "dignified stand in Malayan politics," and it has identified its views with those who work for a United Malaya and complete inter-racial harmony.

Indians, it holds, who wish to become Malayan citizens would do so on the basis of single nationality and those who want to retain Indian nationality, while without civic rights, should enjoy safety of person and property and should be treated in a humane and generous spirit. This is admittedly a fair and reasonable attitude, and there could be no genuine disagreement from those who profess to take cognisance of the rights of other communities in a cosmopolitan Malaya.

- 6 -

Another phase of the work of the Congress is its efforts to raise the social status of the Indian labourer. This objective explains the connections which the M.I.C. has had with the various trade and labour unions. Quite rightly it has realised that Indian life in this country is the life of the Indian worker and Congress must follow a policy that will be a "relentless struggle" for amelioration in the conditions of the labourer's way of life.

This again is a step in the right direction, for the history of Indian labour in this country has been a tragic one. For the same reason, the Government of India is stubbornly adhering to its decision not to permit emigration to Malaya unless and until it is satisfied that the working conditions and wages are reasonably decent and fair. Not only that; unless employers here make a bona fide attempt to improve the lot of those Indian labourers working for them, there is danger that the latter will refuse to carry on and will seek repatriation. This is a threat which must be taken seriously, for if it materialises it would constitute a heavy blow to the economy of this country.

Looking ahead, it is virtually certain that the M.I.C. will go from strength to strength. That is a logical anticipation in view of the success which attended its activities of the past year. It would be appropriate to conclude with the following extract from the M.I.C.'s annual report: "Looking back on one year of toil and effort, the Congress can congratulate itself on the achievement of two measures - the firm establishment of an infant organisation planted on fertile Indian nationalism for Malaya's progress and the fostering of the spirit of service that Netaji taught us in days when he lived with us and worked with us."

BETTER PRICES ASKED FOR
MALAYAN COPRA, COCONUT-OIL.

Mr. Khoo Teik Ee, speaking in the Advisory Council yesterday, urged Government to do its utmost to secure better prices for copra and coconut oil than what are paid by the Ministry of Food. He also advocated either abolition of licences for export of coconut oil or if licensing is to continue some form of quota system.

Mr. Khoo Teik Ee said:

- 7 -

"As we all know, vegetable oils and fats are in short supply throughout the world and the sole purchaser of our copra and coconut oil available for export is the Ministry of Food in London. A small quantity of our coconut oil is allowed to be exported to countries in South-East Asia as Burma and Hongkong, but for some unknown reason India, which has been a customer of Malaya before the war, is denied any export of coconut oil from this country. Such exports, I believe, are with the permission of the Ministry of Food and on licences issued by the Government.

"It will be observed that the Ministry of Food has full and complete control over Malaya's export of copra and vegetable oils and it has not only such absolute control of our exports but it also fixes the price to be paid for our products. The current prices Malayan for copra and coconut oil are 40 pounds Sterling per ton and 70 pounds Sterling per ton respectively or \$20.40 and \$35.70 per picul respectively. The price paid by the U.S.A. for Philippine copra is G.\$247 per ton or \$543.40 per ton Straits currency or a Straits currency price of \$32.34 per picul.

In other words, America is paying a price for copra which is about 55 per cent. more than that of the Ministry of Food. The difference in the two prices is, therefore, \$11.94 per picul. The prevailing world price of coconut oil is 120 pounds Sterling per ton as against the price of 70 pounds Sterling of the Ministry of Food. Expressed shortly, we are being paid by the British Government a price about 42 per cent. below current world price. We do not know how the prices are fixed. At any rate there does not appear to be any good and valid reason for the existing great disparity in the price."

"The coconut industry had suffered very lean times before the war, probably for very much longer periods than any other industry in Malaya. Very little profits were earned by coconut producers in the past and if profits were, in fact, earned they were extremely meagre. Now that there is a shortage of vegetable oils, producers are missing the chance of a lifetime in being denied the right to share the same prosperity as the producers in the Philippines.

- 8 -

Because of the favourable prices paid, the Philippine coconut industry has been able to rehabilitate itself so rapidly that it is expected production will be stepped up by 200,000 tons of copra this year while, on the other hand, Malayan production has sadly lagged behind and is believed to be still well below pre-war production. I would, therefore, urge upon the Government to do its utmost to safeguard our third largest dollar earning industry by securing to its producers a better price for its products, a price which is more comparable with current world prices. The British Minister of Food, Mr. John Strachey, is reported to have said recently that there is a world famine of oils and fats and the position will remain so for some time. He expressed the hope that the Indonesian question will soon be settled so that Indonesia can play a valuable part in contributing to the oil and fat resources of the world. I, for myself, hope the wishes of Mr. Strachey will soon come to fruition, but I question whether the Indonesians, when making this valuable contribution to the world, will be prepared to accept the prices of the Ministry of Food if other countries are willing to pay a better price for their produce.

"I think I have said enough on the subject of price. I propose now to deal with the question of the issue of export permits for the export of coconut oil. I understand that oil millers experience great difficulty in securing such permits which are issued often to exporters who are middlemen and have nothing to do with the manufacturing of coconut oil. These merchants with an extraordinary sense of anticipation somehow manage to time their applications in such a way that permits for the full exportable quota are already issued before oil millers are even aware that permits are being issued. How far it is true that permits are obtained through devious and ingenious means not entirely unconnected with the payment of illegal gratifications, I am unable to say, but the system as I see it is open to much abuse and particularly where the profits are large, as in this case, it is clear that the successful holder of a permit can afford to be fairly liberal in his expense account. When public morality is so low I personally would like to see the abolition, wherever possible, of any kind of licensing, thus closing the door to graft and corruption, but if licences for the export of coconut oil are to continue I suggest it is not beyond the wit and ingenuity of the Department responsible to devise some form of quota system enabling oil millers who have been

- 9 -

exporting coconut oil before the war to ship their products to the countries for which exports are permissible or some other fairer or more equitable system is adopted, thus eliminating the scramble for permits which prevails at the present time."

Mr. Khoo Teik Ee also asked the following question: "Having regard to the current prices of vegetable oil prevailing in other parts of the world, is the Government satisfied with the price paid by the Ministry of Food to Malayan producers for copra and coconut oil and if not does the Government propose to request that higher prices be paid compatible with current world prices?"

The written reply was: "Government considers that in present conditions the price paid by the Ministry of Food to Malayan producers for copra and coconut oil is not unsatisfactory and does not propose to request that higher prices should be paid."

The Sunday News - 22 June, 1947.

CLERICAL UNION LEAVES P.M.C.J.A.

The Sunday News understands that the Selangor Clerical and Administrative Staff Union has decided to withdraw from the Pan-Malayan Council of Joint Action, (P.M.C.J.A.) of which it has been a member.

The reason is stated to be that the Committee of the Union feels that no useful purpose would be served by continuing representation on the PMQJA since the Union is working for improvement of conditions of clerical workers and is not immediately involved in the political objectives of the Council.

- 10 -

RE-EXPORT OF TEXTILES NOW PERMITTED.

Following agitation by textile interests here and presentation by a member of the British Association of Straits Merchants of their case directly with the Controller of Supplies, Malayan Union, Kuala Lumpur, re-export of certain textiles is now allowed.

An official announcement made this morning gives the following conditions for re-export:

No textiles imported from the United Kingdom and Japan may be re-exported, nor any imported sarongs or sarong cloth.

Up to 30 per cent of imported textiles other than the above specified may be re-exported under a customs export permit, and this applies to textiles imported since April 1 this year and certain other textiles for which it is claimed there is no sale in Penang.

Textiles for re-export must be in their original unopened cases or bales.

This follows a procedure already adopted in Singapore

The Sunday News - 29 June, 1947.

REHABILITATION LOANS TOTALLING \$11 MILLION
SANCTIONED BY GOVERNMENT

The Industrial Rehabilitation Loans Board up to June 26 has received applications for rehabilitation loans from 116 industrial undertakings. Applications have been received from rubber, palm oil, tea, coconut and miscellaneous estates. In addition, applications have been made by mining rubber-milling, transport, engineering and commercial undertakings. The total sum requested amounts to \$29,700,000.

Applications are dealt with by the Board in the order in which they are received and to date 73 applications have been considered and loans totalling \$10,975,000 have been sanctioned.

-11-

Several applications already considered have had disposal deferred pending the receipt by the Board of further essential information.

The Sunday Tribune - 1 June, 1947.

WORKERS TO RESIST VEILED
ATTEMPTS TO BREAK TRADE UNIONISM

A first rate labour crisis in the plantations is looming as a result of the recommendation by the United Planting Association of Malaya to its members to cut contract rates in the estates by 20 per cent. What shape this crisis will take will be decided at the Pan Malayan Estate Workers' Conference meeting here on June 4.

A spokesman of the Central Committee of the Selangor Indian Estate Workers' Federation told the Tribune that the Indians would join in whatever action the Chinese labourers might take to resist the 20 per cent. cut in contract rates which would mostly affect the Chinese labour.

A spokesman of the Pan-Malayan Federation of Trade Unions said that the UPAM had always shown "callous indifference" to the welfare of estate labour and the recent statement of a cut in contract rates was something that estate labour could and would not tolerate.

He said that as estate workers constitute over 88 per cent. of the total local labour force in the country the fate of the trade union movement in Malaya largely depended on the safeguarding of the rights and the promotion of the welfare of estate labour. The recent UPAM announcement was a supreme test to the trade union movement in Malaya and the trade union movement was prepared to take up the gauntlet thrown down by the UPAM.

He said that the Financial Times recently stated that although the selling price had declined to a level near that of production costs, that in itself was not disastrous. In most cases, present production costs contained an element of rehabilitation expenditure, not easy to define but nevertheless forming part of present outgoings.

Estates producing sole crepe or latex were not materially affected by the present drop and estates having a very high production of budded rubber could still be able to make both ends meet.

He stated that the statement that 95 per cent. of the estates would not be able to pay their way was accepted in London with reserve.

- 2 -

He said that the present rubber price position, if it was really critical, was due to the "folly" of planting interests in not bringing plantation economy to suit modern conditions. The estate labour was not going to pay for this "folly" of rubber estate owners. He said that the estate labour would resist "these veiled attempts by the UPAM to destroy trade unionism in Malaya."

The Malaya Tribune - 2 June, 1947.

SOCIETIES ORDINANCE:
ADVISORY COUNCIL TOLD OF AIMS.

In spite of repeated pronouncements by Government, it is clear that certain political parties are not aware that the clock has moved on since 1941: far from trying to suppress political consciousness, Government is anxious to develop it, and it is the lack of such consciousness, which has made the re-enforcement of the Societies Ordinance a necessity.

Thus declared the Acting Colonial Secretary, Mr. H.P. Bryson, when the amendment to the Societies Ordinance, whereby political organisations will be excluded from the scope of the ordinance, was presented to and approved by the Advisory Council yesterday.

Referring to the reasons why Government decided it necessary to use once again the weapon which had never been repealed, Mr. Bryson said:

"Conditions in Singapore with its crowded population where secret societies are congested within a very small area are different from conditions in the Malayan Union. In Singapore each street or small district may have its own society which might change its name or temporarily disperse before it could be declared unlawful by notification in the gazette."

Pointing out that it was necessary for the police to prove definite criminal acts against the individuals before any action could be taken; Mr. Bryson said that those who

- 3 -

are responsible for the wave of extortion and gang robbery in Singapore today are, for the most part, members of secret societies and that extortion is usually committed in the name of some society.

Circumstances in Singapore today are far from normal: the situation is somewhat similar to that which existed in 1890 when Singapore was ruled by secret societies which terrorised the peaceful citizens, he said, adding:

"The public are so intimidated by these gangs of extortioners and robbers that they are afraid to give the necessary information to the police which might lead to a conviction. The police are thus seriously hampered in their fight against crime".

Mr. Bryson said: "It is not expected that secret societies will cease to exist as a result of the enforcement of this ordinance, but it will put an extra weapon in the hands of the police which is very necessary in view of the lack of evidence and information afforded by the victims of the criminals.

"Criminal societies will be unlawful, because unregistered, and it will therefore be only necessary for the police to prove membership of such societies instead of having to rely on information from the public."

Referring to a difficulty in trying to exclude all political parties from the scope of the Ordinance, Mr. Bryson said the difficulty was to find a satisfactory definition of a political party. Certain associations, no doubt came within the category, others were on the border line, but there appear to be no way of excluding political associations generally without running the risk that gangster societies might try to evade the necessity for applying for registration by claiming to be political associations, and thus defeating the object of the re-enforcement of the Societies Ordinance.

Although political bodies excluded from the ordinance may not have the legal privileges of a registered or exempted society, the fact that they have been gazetted as political associations will at least be evidence of official recognition, Mr. Bryson stated, adding that the amendment will remove any suspicions that the enforcement of the ordinance had offered political freedom of association.

- 4 -

Complete exclusion from the ordinance had offered political bodies to have freedom to develop in any legitimate way, but the compulsory registration of all societies other than those excluded is an emergency measure and would be repealed or amended when that emergency no longer exists, he pointed out.

Welcoming the re-enforcement of the ordinance with the amendment as a weapon against lawlessness and unrest in this Colony caused by men who, over a period of 50 years, have pursued crime, Mr. E.R. Koek stated that the amendment was an implementation of Government's assurance that, although the bill was introduced in accordance with the spirit of the times, it would not affect political organisations. The particular associations which will be affected by the ordinance, he said, are the near political associations, which are a feature of the day.

Appreciating Government's wish to develop political organisations and the people along democratic lines, offering them entire freedom of association, Mr. Koek pointed out that such organisations which feel too sensitive to function within the framework of the ordinance can function outside its scope provided they do not violate the law of the country. The amendment made it unnecessary to take drastic measures against political bodies which expressed unwillingness to comply with the ordinance.

Mr. C.C. Tan said he had watched the circumstances which led to the enforcement of the ordinance and taken care to see that the policy of the Government was not to restrict the freedom of association of political organisations.

The Malaya Tribune - 5 June, 1947.

ESTATE WORKERS CONDEMN WAGE CUT.

ALL MALAYAN CONFERENCE IN KUALA LUMPUR.

"LABOUR CAN'T COOPERATE WITH EMPTY STOMACHS"

Stormy tirades at the planting community for the recent announcement by the United Planting Association of Malaya and the Malayan Estate Owners' Association to cut contract rates by 20 per cent. characterised today's meeting of the Pan-Malayan Estate Workers' Conference held at No. 7

- 5 -

Foch Avenue. The temper of the conference indicated stiff opposition to any cut in wages.

The conference which was attended by 32 delegates from all over Malaya, representing over 300,000 estate workers, will continue the debate on the attitude the conference should adopt to the impending cut in wages tomorrow.

The delegates who spoke at the conference pointed out that with the cut in rice rations and the increase in the price of rationed rice from 48 cents to \$1.50 per gantang the cost of living had gone up further and that labourers were finding it more hard to eke out an existence.

The planting community, they said, had always made fat dividends and could now well afford to tide over the present crisis with decreased dividends.

The workers could not co-operate with empty stomachs and sickly and under-nourished children. The co-operation during the present crisis should come from the planters who could easily do so by foregoing a portion of their profits.

They pointed out that as estate workers constituted over 88 per cent of the entire labour force of the country any cut in wages would affect a large section of the Malayan population. The delegates urged the conference to seek Government and public assistance to safeguard the estate workers from being victimised by estate owners.

Meanwhile, it is learned that in Johore some big estate groups had increased the Indian factory workers' wages from 95 cents for women and \$1.30 for men to \$2.00 for both. But these groups, it is gathered, had lately notified the workers that they intend to cut wages by ten per cent. One of the groups that has thus notified is Lanadron Rubber Estate Ltd. This, it is gathered, is contrary to the directive of the UPAM which recommended a cut in contract rates only and not in wages.

The leader of the Johore delegation, who is an Indian, told the Tribune that the Indian tappers of Johore would put up a bitter fight for a minimum wages of \$3.00 per day.

- 6 -

The Malaya Tribune - 7 June, 1947.

MERCHANTS WORRIED OVER GLUT
OF TEXTILES IN MALAYAN UNION

Penang textile dealers are concerned over the glut of textiles in the Malayan Union and the release of 2½ million yards Japanese textiles next week will worsen the situation in the already over-flooded market.

This was revealed at a meeting of representatives of the Penang Chamber of Commerce, Chinese, Indian and Muslim Chambers, Penang Importers and Exporters' Association and the Penang Chinese Drapers' Guild this afternoon at the Indian Chamber of Commerce premises.

Mr. M.T. Assomull, presiding asked them to consider the best way to tackle the situation to get results. After discussion it was decided that a joint petition be made to Government to lift price control, allow re-export of import textiles and adopt the same policy in the Union as in Singapore where re-export of imported textiles is allowed.

Mr. Assomull also revealed that dealers have incurred heavy losses and that the textile market is daily worsening due to imports exceeding the demand and the falling price of rubber.

The Penang Chinese Chamber of Commerce has submitted four suggestions to the Area Supply Officer, North Malaya, in connection with the release of Government imported Japanese textiles next week. A reply has been requested within a week and it is understood if a favourable reply is not forthcoming, Chinese dealers may refuse to handle the distribution of Japanese textiles.

- 7 -

The Malaya Tribune - 11 June, 1947.

"RELEASE TEXTILE CONTROL"
SAY LOCAL DEALERS

Dealers in cloth in Kuala Lumpur will definitely refuse to handle the distribution of Japanese textiles to the public unless Government is prepared to release these on consignment, a spokesman of cloth merchants here declared to a "Tribune" reporter today.

During last week alone, there was a drop of 25 per cent of buyers and this has increased the nervousness of the merchants, it was revealed.

The market is at present flooded with textiles so that with the stocks exceeding the demand, it is but natural that merchants have to be careful in their future dealings. "We cannot afford to block our capital on textiles which are unsaleable", the spokesman declared and enumerated various reasons why it was impossible to deal in Japanese textiles.

Firstly, when Government released Jap textiles to traders here last month, almost everyone counted a loss. Secondly, the quality of such textiles is very inferior while the price is exorbitant when compared with American and English textiles. Moreover, the fall in rubber prices has diminished the buying power so that traders have not only become over cautious in their dealings but are not willing to take a further risk when a "textile slump" is already prevailing.

Large orders which were placed by private importers in Singapore have resulted in millions of yards of cloth pouring into the market everyday and these will take a long time to sell. Where once rubber merchants from Java and Sumatra could have easily taken up some of the stocks by means of barter system with their rubber imports, it is quite impracticable now owing to the rubber situation.

"Better quality textiles are being sold cheaper than six months ago. For instance, white drill which once costs \$4.50 per yard is now available at \$1.25. White

- 8 -

shirting costs the same as white drill while printed cotton or cambrics can be bought at \$1.30 instead of \$4.50 six months back", the manager of a leading textile firm disclosed.

With the textile situation at such a precarious level, the spokesman concluded, "it is high time that Government removed all control over textiles as a great competition has started in the textile market so that every merchant wishes to clear his goods because all have heavy commitments with American manufacturers.

- 9 -

The Malaya Tribune - 17 June 1947

PENANG TANNERIES HIT BY FALL
IN LEATHER PRICE

Until recently the tannery business was enjoying success. It ranked among those trades that were reaping a rich profit. This is no more true today for, like so many other enterprises, it has succumbed to economic factors. Now it is at the low rubber price level.

When the difference in the prices of rubber and leather is not so wide, leather is preferred to rubber for its utility value but when the difference becomes so considerable as is the case today the tannery business must suffer, a local tannery proprietor told me today.

With the market price for sole leather at \$100 per picul at present and the total cost of processing at \$117.50 the prospects are dull. And at least it takes three whole months before raw hides can be turned out for use.

The chief sources of raw hides are Sumatra and Siam. From Sumatra comes the better material, cow hides, at \$70 per picul and from Siam buffalo hides are imported at about \$45.

Large quantities of mangrove bark are also consumed every month. They come mostly from Taiping at the rate of \$3.50 per picul and it requires 5 piculs to tan every picul of leather.

And from every picul of hide imported into Penang only 70 per cent can be depended upon to result in first quality leather that is, without holes or other blemishes and, to fetch a market price of \$100 whereas the over-all expenses including processing come to \$117.50. Twenty per cent is second quality, for which the market price is \$70 and 10 per cent third quality for which consumers are willing to pay only \$50 per picul.

The largest of the five tanneries in Penang (all situated along Dato Kramat Road) can produce a little over 200 piculs per month and the smallest about 140 piculs. And out of the total production local markets absorb only

- 10 -

around 150 piculs a month the rest being consumed by markets in Singapore, Kuala Lumpur, Ipoh, Taiping and other towns.

Penang does not produce fine leather and a proprietor, Mak Koh Kee, tells me that it is impossible to produce finer grades than those for making soles of shoes and for other uses requiring tough leather. It is explained that the cost of dressing is immense so that it is more practicable to import supplies from Siam than undertake to produce them locally.

There is one redeeming feature that prevents precipitate collapse in the tannery business and that is the exportation of crude buffalo hides from Penang to Europe. Tanneries collect the hides from Siam and sell them at a fairly profitable margin.

An intriguing and interesting point in the business is the present position of goat skins which have long ceased to be treated locally. Indian agents are buying them here at \$12 per 10 pieces and the same skins come back to Malaya at \$14.

Local proprietors fail to understand how the cost of processing and freight etc., let alone profit can be made up by the difference of \$2.

"It beats me" one of them said. "Even the most modern mechanical gadget cannot keep the cost as low as \$2. for ten pieces and make a profit at the same time. There are the transportation and other expenses to count. Perhaps they have a use for the hair" he added.

In Penang the over-all expenses for ten pieces come to around \$18 and for this reason goat skins are not seen in local tanneries.

RUBBER INDUSTRY TO BE MODERNISED

SETTING UP OF DEVELOPMENT CORPORATION CONSIDERED

Proposals are being formulated by the Malayan Union Government for the modernisation of the Malayan rubber industry, it is reliably learned. These proposals include plans to encourage planting of high yielders on a large scale, it is gathered.

- 11 -

The Government has under consideration at the present moment, Mr. F. S. McFadzean, Assistant Economic Adviser of Malayan Union, told me today, the possibility of establishing a Development Corporation to provide financial assistance on a commercial basis to undertakings wishing to new plant or replant with improved materials.

That the rubber industry must modernise, Mr. McFadzean said, was beyond dispute but the rate of modernisation must bear close relation to the economic conditions prevailing at any given time and must be so designed as to avoid, as far as possible, storing up trouble for the future.

Mr. McFadzean pointed out that at the end of 1940 total acreage under rubber was approximately 3,480,000 of which only 442,500 acres were under budded rubber or clonal seed. The Malayan Union Government though fully aware of the necessity of replacing low yielding rubber with higher grade material was of opinion that replanting or new planting must be done at a rate which is practicable and as part of a continuous policy.

To endeavour to replant or new plant in a short period an acreage equal to that at present under low yielding rubber would, in the case of new planting, involve the country in vast schemes of public works which are quite out of the question in present circumstances of rubber shortage and budgetary difficulties, or, in the case of replanting, involve the loss of rubber production over the period which must elapse before new trees come into bearing of a magnitude which neither the industry nor the Government could carry.

Moreover any rapid sudden expansion in the acreage under high yielding material would store up problems of relative overproduction in future years when the new areas come into production.

Mr. McFadzean opined there could be little doubt that the demand for rubber would expand in the future if prices were kept at reasonable levels but manufacturing capacity took time to build up and sudden large increases in the supply of rubber would not be to the advantage of producers.

- 12 -

It is also learned that Mr. C. J. Pyke, Economic Adviser, Malayan Union, has submitted a memorandum to the Government suggesting lines on which the rubber industry could be modernised. This memorandum, it is gathered, has been sent to planting interests for consideration. Mr. Khoo Teik Se, President of the Malayan Rubber Estate Owners' Association, told me that his Association had already submitted counter-proposals to the Government. He was unwilling to disclose either the proposals contained in the Pyke memorandum or the proposals submitted by his Association.

A very reliable rubber industry source told me that the Pyke Memorandum and other proposals for the modernisation of rubber industry would probably be considered by the Rubber Study Group meeting in Paris in July.

The Malaya Tribune - 20 June, 1947

124 SINGAPORE UNIONS.

Only a very few trade unions remain unregistered today in books of the Singapore Registrar of Trade Unions.

Today the figure stands at 124. Twenty-four trade unions were registered this month up to yesterday.

Fourteen employers' associations have been registered to date.

Commenting on this Mr. R. Bingham, Commissioner for Labour, said that he would like to see more employer associations being formed and registering themselves.

- 14 -

The Malaya Tribune - 30 June, 1947

TIN PRODUCTION STATISTICS

The Chief Inspector of Mines, Malayan Union, in his report on the production of tin-ore concentrates from the Malayan Union for the month of May, states that the highest production of 30,618 piculs, the equivalent of 1,822 long tons, was registered in Perak. Selangor's production was the next highest with 13,076 piculs (778 long tons).

Negri Sembilan produced 1,521 piculs (91 long tons) while the figures in respect of Pahang, Johore, Perlis and Kedah were 939, 633, 391 and 378 piculs (56, 38, 23 and 22 long tons) respectively.

Trengganu registered the lowest production of 312 piculs (19 long tons).

The total production of all the States mentioned above was 47,868 piculs, (2,849 long tons), and the estimated tin metal content was 2,108 tons.

The Sunday Mail - 1 June, 1947.

AGITATORS UNDERMINE RUBBER INDUSTRY
GOVERNMENT VACILLATION ATTACKED
"PIRACY, LOOTING AND EXTORTION
RAMPANT IN MALAYA.

Declaring that lack of firmness on the part of Government only incited subversive elements to greater effort to blackmail and undermine the rubber industry, Mr. E.N.T. Cummins, presiding at the annual meeting of Connemara Limited, held in Kuala Lumpur yesterday, said that unless Government tackled determinedly the problems with which the country was faced there was little hope of the rubber industry or any other honest industry regaining its former prosperity.

The only industry which appeared to be thriving in present times was the black market, he said. Lack of rice and the high cost of rice, the staple food of all labour in the country, gave rise, he said, to discontent and restlessness.

Piracy in Malayan waters, looting in the harbours and on the wharves, extortion and blackmail, robbery and kidnapping and the fear of kidnapping were rife from north to south and east to west of Malaya and there appeared to be little done to relieve this extra-ordinary situation by deterrent penalties and in particular by banishment which was the most effective of all.

Mr. Cummins said that it was intended to recommend a dividend of five per cent. a small solatium after many lean years, but the directors in view of the sudden and most serious fall in the last three weeks in the price of rubber had decided that all their cash resources must be husbanded for the time being, but they hoped to pay an interim dividend as soon as it became possible.

Investments during the year had been increased by \$13,000, bringing the total to just under \$70,000.

- 2 -

The net profit for the year was \$69,751.12. This too, he said, might be considered satisfactory when taking into consideration the unsettled condition of the country and labour generally, as well as the high cost of all material and food.

The estate was in fair condition, and steady progress was being made in the younger fields in eradicating the heavy growth of noxious weeds, the result of four years' neglect.

The whole of the mature area was brought into tapping during the year under review resulting in a crop of 432,320 lbs. The estimated crop for 1947 is 640,000 lbs.

The 1947 programme of replanting comprised 128 acres inclusive of 34 acres cut out by the Japanese, he said.

The policy of the directors, he said, was steadily to increase the area of clonal rubber year by year. Thus reduced crops must be expected in the near future but which would eventually be replaced by heavier crops, which allow them to face a low price of rubber.

Reduction in the cost of manufacture was looked for as a result of replacement of the old antiquated plant by modern equipment and smokehouses sited in a more convenient position than the present.

Every possible means of reducing "all in" costs would be applied, but these would be of little avail unless the labour and food positions throughout the country were rectified.

Continuing Mr. Cummins said that there would be no question but that rubber estates had done extraordinary well both in output and rehabilitation but, he asked, to what extent had Government helped?

To meet the problem of the future extraordinary output of rubber when the Sumatra and Java holdings and estates were in full production in addition to their own, it would appear necessary to make preparations for the introduction of some scheme of restriction in close liaison with other rubber producing countries in the East. It was essential, in his opinion, that immediate steps should be

- 3 -

taken to form an international committee in the East to study the whole situation and in order to avoid unilateral action.

He concluded by saying that they had a fine estate in as good order as might be expected in view of the unrest in the country and the rice situation and said that the future of the company might be looked upon with confidence if the problem of overproduction was tackled at once.

The Malay Mail - 7 June 1947.

\$600 MILLION EXPECTED FROM RUBBER

FUTURE OF INDUSTRY LIES IN
CLONAL OR BUDDED TREES

ONLY WAY TO REDUCE COSTS AND INCREASE YIELDS

The rubber industry is the life blood of Malaya. In 1947, it is expected to bring in \$600,000,000, states the June issue of the Malayan Pictorial Observer published by the Department of Public Relations.

The future of the rubber industry in Malaya lies mainly in planting only clonal or budded trees, says the paper. Before this, all rubber trees had been grown from seeds. In planting clonal or bud grafted rubber, trees started from seedlings are allowed to grow for nine to 12 months. Then a piece of bark from a tree of a proved high yield are grafted on to these seedling trees. Immediately the bud has taken, the original tree is cut back until eventually the budded tree is the tree that grows.

It is generally agreed among rubber planters to-day that one of the main weapons against competition from synthetic rubber is to replant estates with specially selected clonal or budded rubber. Only in this way can production costs be reduced and yields increased. Out of 2,100,000 acres of estate rubber in the country, only 18 per cent. are planted with such trees.

Clonal or budded rubber is the result of research into the rubber tree which in less than a quarter of a century has increased the yield per acre from 200 lbs. to as much as 1,200 lbs., though the average is about 600 lbs.

- 4 -

Rubber research in Malaya, one of the greatest rubber producing countries in the world, is done by the Rubber Research Institute. Funds for the upkeep and maintenance of this Institute come from a cess on all rubber exported from to this country. In 1939, it amounted to about \$750,000. The results have shown that this is money well invested.

Founded less than two decades ago, the Rubber Research Institute does research mainly into increasing the yield. At its Field Station at Sungai Buloh about 20 miles from Kuala Lumpur, research is done into the best methods of tapping with regard to the area of bark tapped, the best soil for the rubber tree and minimum spacing in which the rubber tree should be planted for it to thrive well.

Research has shown that one of the best tapping methods is the full spiral method. In some cases, this method is better than the commoner V-cut method as the tapper only taps a tree every fourth day instead of every other day in the latter method. This represents a great saving in time and labour.

To record the yield from each tree, the latex from each individual tree is coagulated on the spot and the yield over a period collected and weighed. Formerly, this was done daily. Now yields are taken twice a month as this gives as reliable a record as a daily check.

The Malay Mail - 14 June, 1947.

DATO BRADDELL WARNS THE MALAYAN GOVERNMENTS
INCOME TAX WILL BRING POLITICAL CONVULSION

Stressing that the existing Advisory Councils in the Malayan Union and Singapore are merely Governors' Councils. Dato Roland Braddell, presiding at the annual meeting of the Singapore Association last night, stated that the Advisory Councils ought not to be allowed to impose an income tax.

"The whole matter of income tax must be left to the new councils and it cannot be imposed save throughout the whole of Malaya," he added.

- 5 -

Dato Braddell said it seemed very clear from what had been appearing in the press that the Governments of Singapore and the Malayan Union were now engaged in softening the public for the passage of income tax laws in the Advisory Councils of the two places.

"I warn Government," he went on, "that if it persists in this course it is most likely to plunge the whole of Malaya into another political convulsion at a time when such a thing ought to be avoided at all costs.

"It is said that money is urgently needed and that the only way in which it can be obtained is by levying income tax."

"It must be clear to everyone that no such tax could be fair or could properly achieve its purpose unless and it was imposed in the same terms and at the same rates in both the Colony and the Union. But there are ethical considerations which cannot be overlooked.

"Until the new constitution has been finalised it would be a complete breach of faith with the Rulers to put an income tax bill through the Advisory Council of the Malayan Union.

"The Rulers and their subjects are expecting that the Malay States will be restored to local autonomy and that a Federation will replace the present Union with a Federal Council controlled by an unofficial majority, upon which the Malays will be represented and to which Federal powers of taxation will be delegated by His Majesty and the Rulers.

"The present Malayan Union Advisory Council, upon which no Malay will sit, is purely the Governor's Council appointed by him, save as to its ex-officio Members.

"It is representative in no way. It is no such a body as ought to be allowed to impose an income tax in advance of the finalisation of the constitutional proposals unless all the promises of eventual self-government and intended public representation are to be reduced to mere hypocrisy.

- 6 -

"That is the ethical aspect of the matter in the Union.

"Here in this Colony it is even stronger. Public representation with us has gone much further. The present Advisory Council (again purely a Governor's Council) is to be re-placed by a partially elected Legislative Council with an unofficial majority and in that Council powers of taxation will be reposed.

"It is that Council, and that Council alone, which ought to deal with the question of income tax, unless the protestations of eventual self-government and present public representation are mere eye-wash.

"For myself, I do pray that the old days of saying one thing and doing another have gone. The honourable is a far finer long-term policy than the merely expedient."

The Malay Mail - 17 June 1947

INCREASED TRADE IN PENANG
PEAK FIGURES REACHED IN EXPORT AND IMPORT

Penang export and import figures for May showed a considerable increase over the previous month almost reaching the peak figures recorded earlier this year.

Exports were made up principally of rubber which was worth about \$23 millions for roughly 25,511 tons. Three-fifths of this amount went to America, less than one-fifth to the United Kingdom, while Argentina was the third largest importer. Japan took 100 tons.

Italy, Norway and Sweden took 225 tons of tin in blocks, valued at \$876,707.

The export of tapioca and pearl sago was nearly doubled, the principal consumer now being Australia not India.

Imports were principally made up of rice from Burma, poultry and swine from Siam, condensed milk from Australia and America, sugar from Mauritius and China, brandy from France and cigarettes from the United Kingdom.

- 7 -

Great Britain also sent out over 1,000 bicycles while Ceylon sent the biggest quantity of tea since the reoccupation.

As regards textiles Penang imported over four million yards in May valued at \$3,280,000 of this quantity more than half was Japanese textiles (2,200,000 yards) valued at \$1,316,000. These textiles have not been released to the public yet and it is these textiles which merchants fear will flood the market causing them to suffer losses unless permission for re-export is allowed.

The Malay Mail - 19 June, 1947

RIOTERS SING THE INTERNATIONALE
WORKERS KILLED IN RUBBER FACTORY

A Chinese worker at the Aik Hoe rubber factory in Kim Chuan Road, Singapore, was killed and two others injured, when rioting broke out at the factory early yesterday morning.

When the trouble occurred, more than 100 armed police were rushed to the factory in trucks and the area was cordoned off, while request for reinforcements was sent by radio.

Following the incident the Police arrested two Chinese on a charge of the murder of Go Tiang Yong, 20-year-old Hokkien rubber worker, and also five other men with having obstructed the Police in making an arrest.

The riot was described by the owner of the Aik Hoe factory, Mr. Tan Lark Sie, as a case of "worker killing worker."

He said the causes of the riot could be an attempt by one section to induce others to strike or an attempt by one section to extort labour "dues" from the rest.

The Police had to deal with a hostile mob of 300 Chinese workers. While a squad of anti-riot police stood by to prevent any incident, a Chinese detective and an armed escort

- 8 -

moved through groups of workers and arrested the seven Chinese.

As the Police lorry took the arrested men away they shouted slogans and sang the Communist "Internationale."

Armed Police yesterday afternoon took up posts on patrol points and other key parts of the factory. A radio patrol van stayed in the area last night.

The Aik Hoe rubber factory, it is stated employs about 1,000 workers, including 400 Chinese women, who retired into the upper floors of the factory when the Police cordoned off the area.

The Sunday Mail - 22 June, 1947

RICE PRICES SAID TO BE HIGH.
RESIDENT COMMISSIONER ON GOVERNMENT.
AND HEAVY LOSS.

At the meeting of the Advisory Council in Penang Mr. Chee Swee Ee, of Balik Pulau, sought to ascertain why Government was charging \$1.50 per gantang of rice and whether the price could not be reduced. The speaker said that the B.M.A. first charged 8 cents a kati, then 12 cents, then 16. No grouse was made at that time as the ration was increased from $3/4$ to $1\frac{1}{2}$ katis per person per week. Subsequently, however, the price was raised to 25 cents per kati and more recently the ration reduced.

According to a Government Statement, Mr. Chee said, Government had purchased from local padi growers 58,000 tons of padi or 35,000 tons of rice. This quantity at the present ration would only last about six weeks but the public has been asked to pay 25 cents per kati for 20 ration weeks.

Even if the public had to subsidise locally purchased rice why should the public be asked to pay the same price for imported rice? He assumed that imported rice was considerably lower.

The Resident Commissioner, replying, said Mr. Chee's presumption that Government was profiting on sale of imported rice was incorrect. He had gone into the matter very carefully, Mr. King said, and he could assure the speaker that,

- 9 -

overall, Government was incurring a very heavy loss, and subsidising very heavily.

Dr. Lee Tiang Keng referring to the international allocation of rice, asked how it was that other deficient countries were getting more and others getting less, citing Hongkong and Ceylon which were getting a bigger ration than Malaya. Surely, he said, they were all partners in the same scheme?

MANILA HEMP POSSIBLE MALAYAN INDUSTRY
VALUABLE FIBRE AS A RIVAL TO RUBBER

Due to present acute world shortage of Manila hemp - most valuable of all fibres for cordage - serious consideration is now being given locally to introduce this industry into Malaya on a scientific and widespread scale. If calculations prove right, Manila hemp may, in the future, vie with rubber for chief place in the plantation industry of Malaya.

It is evident from the keen interest that men experienced in such affairs are at present taking that Malaya is no longer content to rest on pre-war laurels as one of the chief rubber producing countries in the world. It may soon be able to implement its economies by expansion of profitable side-line industries which include Manila hemp and others, such as tuba root, copra and oil-palm, jelutong, cocoa, etc.

Plans are now afoot among Malayan economic experts to bring about what they call a "balanced economy," regardless of the impending rubber crisis. Post-war Malaya, in beginning to tackle peace problems and trade tangles, is now at the stage of realising that during the pre-war years of normal prosperity she was sitting on the fence with a sense of false complacency.

Inquiries received from abroad, concerning Manila hemp, by the Department of Trade and Commerce have already been passed on to the appropriate people concerned. The Malay Mail understands that keen interest in Manila hemp is being displayed by leading firms engaged in the plantation industries.

- 10 -

"There is undoubtedly a stronger incentive than there was in days pre-war to explore alternative crops which would give Malaya a more balanced economy," said the business executive of a leading European Agency House to a Malay Mail reported yesterday.

"The complaint now seems to be that there is no adequate source of 'suckers' - the shoots of the hemp - and other planting material even if one is willing to undertake the venture," added the same man.

One of the biggest hemp plantations in the Far Eastern British-protected territories existed in the east coast of North Borneo and was owned and managed by Messrs. Harrisons and Crosfield (Borneo) Limited, under the name of B.M.H. or British Malaya Hemp. These plantations are now in a ruined state, and it is understood a disease called "Lunchy Top" has affected the Borneo hemp. Consequently the Government has banned the export and has placed the plantations under quarantine.

A few local business men who possess a working knowledge of hemp also feel that without planting material further discussion is futile. Cynically describing Governmental steps as "dignified and leisurely," commercial economic experts point out that "the Economic Adviser himself has been advocating the planting of fibres for the past year or more, but there seems little liaison between Government departments. For instance while one finds plenty of people in the Department of Agriculture able and experienced and willing to advise there is little or no co-ordination among sub-departments."

A Government official who is also dealing with this matter stated that the Agricultural Department had been carrying on experiments in Serdang in the growing of hemp but as the "suckers" which they would distribute for planting would be inadequate they might approach the Philippines for their needs, Borneo being out of the question.

The fact remains that, properly handled, Malaya hemp may one day become as well-known as Manila hemp.

- 11 -

CRISIS THREATENING PINEAPPLE INDUSTRY

A crisis threatening the pineapple industry in Malaya is looming in Singapore where, it is reported, talk of a reduction of the Government purchase price of canned pineapples is admitted in official circles. This drop will bring the price from \$24.50 to \$21 per case f.o.b. Singapore - a factor which is stated to be causing much concern to the packing industry in Malaya.

Slowness in taking over the Malayan pack first offered to the British Ministry of Supply has already resulted in a stock accumulation of about 30,000 cases.

One canning representative in Singapore said: "The Malayan pineapple industry is just beginning to rehabilitate itself and any adjustment in prices at this stage may prove a serious threat to the industry."

He pointed out restrictions placed by the Government on export has resulted in a back log being created.

Shipments of canned pines from Malaya are based on the production capacity of each factory, and are, at present, handled on a quota basis, through the Central Board of Pineapple Packers, Malaya.

Mr. Lee Kong Chian, chairman of the Chinese Chamber of Commerce, and Managing Director of one of the biggest pineapple packing factories, this week held discussions with Government officials on the question of prices.

Also present at the talks was Mr. Yap Pheng Gek, President of the Malayan Pineapple Packers' Association.

The value of the unsold pines canned by the three firms operating in Singapore and South Johore is placed at approximately \$700,000.

- 12 -

The Malay Mail - 28 June, 1947.

INCREASE IN ACREAGE UNDER VEGETABLES
NEGRI NOT INTERESTED IN RICE SUBSTITUTE CROPS

The Department of Agriculture in its general report on all districts for May states that in Perak Central it is estimated that approximately 1,200 acres are under vegetables, maize, ground-nuts, soya bean, sweet potato and ragi. These crops are planted out on mining lands and investigations also reveal an increase in the acreage under such crops as ground-nuts and sweet potato. A marked decrease was reported from market gardens in favour of tapioca.

Maize and vegetables planted on fallow bendangs are partially harvested and the majority should be ready for harvesting during June, 2,200 piculs of tapioca were harvested during the month in Bruas and the Dindings, but owing to depredations by wild pigs to this crop no increase in acreage is reported.

In Perak North further clearing has been carried out in several areas and about 48 acres have been planted with sweet potatoes, ground-nuts, ragi and vegetables. A further area of 15 acres has been cleared by squatters for vegetable planting in Bagan Serai mukim. In Selama, cultivators who were encouraged by the success of the recent pig-shooting campaign have expressed their intention of clearing land for the planting of food crops.

Large areas are being maintained under sweet potato and ground-nuts throughout Kinta, but more especially around Sungai Siput and Chemor where both crops are doing well. Kinta is the general source of the ground-nut seed supply for Kelantan, Trengganu and Province Wellesley, and 350 piculs were exported at \$64 per picul as compared with the previous price of \$75 per picul. A further fall in price is expected.

In Selangor, due to the prolonged wet weather, leaf vegetables were in a rather poor state and were also scarce. About 400 piculs of bitter cucumber were harvested from the 6th mile, Cheras Road, and distributed to various centres throughout the country. There are signs of the prewar vegetable area on the Klang-Port Swettenham Road being brought to life again.

- 13 -

There is a continued lack of interest in rice substitute crops in Negri Sembilan. The Chinese market gardens are well-maintained, and at Jelebu the banana industry continues to expand.

In Malacca, an increase in the price of sweet potatoes stimulated further planting by Chinese, and some 50 acres were estimated to have been planted at Ayer Salek and Cheng, where the water supply was inadequate for padi work. The fallow season crop is tailing off and exports to Kuala Lumpur and Singapore were estimated at approximately 500 piculs.

Tapioca increased in popularity as an article of diet in Jasin District, and the harvesting of the mature crop covered some 70 acres, leaving a balance of 405 acres unharvested. Large-scale planting of tapioca was undertaken at Bukit Katil and approximately 150 acres were planted.

In South Johore people are paying more attention to the planting of vegetables and food crops which seems to be due to the cut in the rice ration, the increase in the price of tapioca and sweet potato and the big drop in rubber prices.

In Johore Central, sweet potato plantings are on the increase. Tapioca acreage is on the decrease and this also applied to Johore North where pig keepers are going in for sweet potato planting. The exports to Singapore from producing areas in Johore South amounted to (in piculs) tapioca 1,323; sweet potato 2,121; vegetables 2,871; banana 16; fruits 30.

The area under market garden vegetables in Kedah was recorded as being 31 acres and apart from efforts made by large estates in planting food crops, cultivators on T.O.L. in the districts planted 912 acres with groundnuts, maize and sweet potatoes. A certain percentage of this crop has already been harvested.

There has been considerable agricultural activity throughout the State of Kelantan as far as the weather would permit. Reports from Melor show that 1,500 acres of tapioca 250 acres of sweet potato, 100 of yams and 120 of colocasin have been planted. The Tending Malay School provided 10,000 stems of tapioca to raayats in the district.

The production of vegetables in Trengganu is normal and 150 acres of maize have been planted in Besut and Ulu Trengganu.

The output of vegetables in Penang has been low owing to the frequent heavy rain.

The Sunday Times - 1 June, 1947.

SINGAPORE SOCIETY DEADLINE IS TODAY

"Police in Singapore can after today arrest many criminals as members of unlawful societies without having to prove extortion and other crimes. The Chief of the Singapore Criminal Investigation Department, Mr. R.H.B. Wiltshire, said yesterday that from this week his men would be active in rounding up these criminals.

All societies in Singapore have until today to either apply for registration or exemption under the Societies Ordinance.

The deadline of May 15 was extended by the Government to June 1 because many bona fide societies needed more time to collate information for the Registrar, Mr. R.C.S. Adkins.

Mr. Adkins said yesterday that latitude would still be given to these to furnish particulars.

He said that of the 1,400 societies pre-war about 600 had now been re-registered or exempted. Thirty new societies had been exempted, 20 registered.

Mr. Adkins could not estimate the number of societies in Singapore but he said that many of those conforming to the Ordinance pre-war were not in existence today.

The Sunday Times - 8 June, 1947.

NEW BID TO END SOCIETIES LAW

Eleven bodies in Singapore, which consider themselves political associations but are not included in the official list of eight political associations 'excluded' under the Societies Ordinance, will hold a meeting at the premises of the Malayan Democratic Union this morning to renew their request to Government to repeal the Societies Ordinance.

Expected to participate in the meeting are three of the eight political bodies officially recognised: Malayan Democratic Union, Malay Nationalist Party and Malayan Indian Congress (Singapore branch).

The draft of a reply to the letter of the acting Colonial Secretary, Mr. H.P. Bryson, refuting certain statements he has made on public-spiritedness, will be finalised at the meeting.

- 2 -

One of the questions which the meeting will discuss is a proposal to send to the Secretary of State for the Colonies and Labour MP's copies of all correspondence passing between Government and the parties concerned on the subject of the Societies Ordinance.

Che Ishak bin Haji Mohamed, chairman of the Malay body of Putera, will preside at the meeting this morning.

Others expected to participate are Council of Joint Action, Singapore branch, Malay Nationalist Party, A.P.I. (Malay Youth Corps), Angkatan Melayu Muda (Young Malays Association), Lembaga Persatuan Melaya, Angkatan Wanita Sedar (Progressive Malay Women's Association), P.A.P.S. (Association of Perak Malays, Singapore), Indonesian Youth Organization, M.P.A.J.A. Ex-Services Comrades Association, Women's Federation, Malayan New Democratic Youth League, Malayan Democratic Union, Malayan Indian Congress, Singapore branch.

The Sunday Times - 15 June, 1947.

MILLIONS FOR RICE IN MALAYA
PART OF A VAST EMPIRE SCHEME

New schemes for rice, coal, cocoa and tobacco in the Malayan Union, Borneo and Sarawak are contemplated in the colonial expansion plan, the details of which will be made known in London shortly.

They will be part of the British Government's colonial expansion plan on which, says Reuter, millions of pounds is to be spent to increase the production of colonial primary products. An inter-departmental committee has been set up to study the whole question, and expert commissions have been appointed. In some cases they have begun work.

The Colonial Secretary, Mr. Creech Jones, is expected to make a Parliamentary statement shortly, to be followed by the publication of White Paper giving broad details of the schemes.

- 3 -

The Sunday Times understands that Malayan Union plans for the doubling of the acreage now under padi will be partly financed by this overall project. It is hoped that within the next ten years Malaya's rice production will be increased to over 600,000 tons.

The possibility of cocoa growing will also be investigated, although at the moment no great hopes are held that cocoa planting can become a major industry here. Tea planting will be encouraged, but again there are as yet no definite plans.

In Borneo a survey has already begun of mineral deposits, particular attention being paid to coal. It is not believed that the old coal fields on Labuan island will be worked again, but there are considerable deposits in North Borneo, near the coast.

Much is hoped also from the new oil deposits recently found there. In Sarawak as well as in Borneo great possibilities are seen for the timber industry, many of the hardwoods having remained virtually unexploited.

But the rice farming and the sago and pepper industries in those countries will be the first to benefit from the Colonial Office projects. They will be developed through smallholders on a co-operative basis, the Free Press learns.

PINEAPPLE INDUSTRY IS OPTIMISTIC

Malaya may expect to export 150,000 cases of canned pineapples before the end of this year, the Chairman of the Central Board of Pineapple Packers, Malaya, Mr. Yap Pheng Geck told the Sunday Times yesterday.

About 80,000 cases of canned pineapple were sold last year to the London Ministry of Food, representing the first lot of pineapples to be canned after the war. Exports at the moment amount to five per cent. of the pre-war output.

Singapore pineapple industrialists have resumed extensive planting of pineapples in Pontian, Johore, but the area of 6,000 acres are still only one-tenth of the area under pines pre-war.

- 4 -

Mr. Yap has been closely connected with the rehabilitation of the pineapple industry after the war.

He said the demand for Malayan pineapples had been very great since the end of the war, particularly from Central Europe, Egypt and India and also from Canada and New Zealand.

The numerous inquiries testified to the popularity of the Malayan pineapple, which used to be the cheapest fruit in the world.

"There is every possibility of the Malayan pineapple canning industry not only regaining its pre-war eminence, but also attaining a higher position in the canned food market of the world," said Mr. Yap.

He said that if the cultivation of pineapples in Malaya was properly carried out according to modern agricultural methods, with factories re-organised and re-equipped, and with Government giving careful attention to the nursing of the industry, there was no reason why the industry should not surmount pre-war standards.

He predicted that in the next few years, big capital would be invested in the industry.

MALAYA HAS OVER 3,000 BANKRUPTS.
PENANG HEADS LIST WITH 309

The Malayan Unions first post-war list of undischarged bankrupts and undischarged wage-earners, which the official assignee is bound by law to publish once a year, reveals a total of 3,039 names, of which a fair proportion are Government servants of almost every category in the Service.

Penang has the largest number of undischarged bankrupts. The figure for the island is 309. Perak is second with 295, followed by Malacca and Johore with 159 and 163 respectively. Selangor, Negri Sembilan and Pahang together have only 125 undischarged bankrupts, of whom the whereabouts of 45 are still unknown.

The total number of undischarged bankrupts in the Union is 1,024.

- 5 -

These figures do not apply to four of the former Unfederated States of Kedah, Trengganu, Kelantan and Perlis, where, according to Mr. J.B. Prentis, the Official Assignee of the Malayan Union, "no bankrupts are to be found."

Mr. Prentis said that the reason why no names were published from these four States was the fact that no applications or petitions for bankruptcy had been received from any member of the public before or after the war.

He said that no creditor could make a debtor a bankrupt with regard to transactions that took place before the war owing to the moratorium.

The Union's undischarged bankrupts range from estate owners to labourers. In between are a variety of professions, such as traders, share-brokers, salesmen, railway guards, butchers, mining prospectors, merchants, school teachers, catechist, and a number of business concerns.

Of the 45 whose whereabouts are unknown, 26 are from Kuala Lumpur, and include eight Chinese and one Indian merchant, two Chinese shopkeepers, an Indian and a Chinese clerk, and an Indian draftsman, a Malay junior technical subordinate, two Chinese contractors, a married woman, and a widow.

Twenty-two of these undischarged bankrupts are reported to have absconded. Those listed as dead total 36 for the whole of the Union.

The oldest discharged bankrupt is a Chinese pepper dealer from Penang, against whom an adjudication order was made as far back as 1902.

The record shows that there are also 2,015 undischarged wage-earners in the Union, the majority of whom are also Government servants.

Selangor, Negri Sembilan and Pahang top the list with a total of 604 names.

The number of undischarged wage-earners reported to be dead is 155, while the whereabouts of 85 are unknown. Five are listed as having absconded.

- 6 -

Penang is second with 485, Perak third with 385, Johore fourth with 383 and Malacca last with 153.

Any person adjudged a bankrupt while holding office as a member of the Federal Council or the State Council, judge, magistrate or a member of the Sanitary Board automatically loses his seat.

The Straits Times - 16 June, 1947

BIG RISE IN RUBBER EXPORTS

Despite the recent drop in price, Penang's rubber exports rose by over \$3,000,000 last month.

Official trade figures for May, available today, show that 25,310 tons of smoked sheets and crepe were shipped from this port against 20,945 tons in April.

Total value of the May exports was about \$23,000,000, compared with the previous month's total of \$19,917,905 - an increase of about 15 per cent.

America, as usual, absorbed the greater part of the May shipments. She received 16,253 tons, valued at \$14,458,210

The United Kingdom was second with nearly 5,000 tons, valued at \$3,655,812. Argentina, which is a steady customer, was third with 2,502 tons at \$2,425,982.

Of the other countries France took 652 tons, Japan 100 tons and China 62 tons.

Tin exports, on the other hand, dropped sharply from 1,205 tons in April to only 247 tons in May. Comparative values were \$3,836,518 and \$404,817 respectively.

Principal purchasers were Italy, Norway and Sweden.

Recent relaxation of export restrictions on coconut oil and tapioca is reflected in the appreciable increase in Penang's trade for the month of May.

Figures available today show a total value of \$45,965,677 against \$37,599,344 for last April.

- 7 -

Of these, May imports totalled \$17,484,326 against \$11,835,389 in April and exports were \$28,551,351 against \$25,773,955.

One of the biggest increases was recorded in tapioca exports which, at 1340 tons, were more than double the total for April (551 tons).

The partial lifting of the export ban on coconut oil resulted in 773 tons, valued at \$854,664 being shipped to Burma.

Against this only 665 tons were shipped to the United Kingdom through the London Food Ministry. Of the imports, textiles and rice were the principal items.

A total of 4,247,332 yards of textiles the highest figure for many months was received last month. This is valued at \$3,280,000 and includes about 2,200,000 yards of Japanese textiles.

Rice imports received from Burma last month totalled 5,429 tons, valued at \$2,096,188.

Sugar, the third highest import, totalled nearly 5,000 tons, valued at \$1,504,000.

A feature of last month's imports was the large shipment of bicycles received. This totalled 2,124 the highest figure since the reoccupation.

The Straits Times - 18 June, 1947

CLONAL RUBBER VISUALISED FOR ALL MALAYA

Preliminary discussions are now being conducted between the Malayan Union Government and banks in London aimed at floating a mortgage corporation to provide medium-term financial assistance to Malayan rubber estates anxious to replace low-yielding areas with high-yielding strains in order to compete with synthetic rubber.

- 8 -

The proposals, for what might be described as the modernisation of the Malayan rubber industry, are also being discussed with the leading planters in Malaya, and it has also been referred to the London head offices of large Malayan combines.

No action will be taken by the Malayan Union Government, however, without full agreement of the industry, it is understood.

This scheme has been broached by the office of the Economic Adviser of the Malayan Union, and it has met with a mixed reception among the leading planters to whom it was put recently.

Quite apart from the colossal expenditure which will be involved - a matter of many millions of dollars - the planting industry foresees tremendous difficulties to hamper the success of converting Malaya's low-producing estates into high-yielding areas by the use of clones.

One of the insurmountable facts, say planters, is that only 18 per cent of the planting area in Malaya is high-yielding, low-cost material - the only serious competitive factor facing synthetic.

In addition, there are the large numbers of small-holders who, in any event, can produce at low cost, provided they are prepared to have an extremely low standard of living.

"Malaya today", said the director of several rubber companies, "faces two headaches - the first is to keep in competition with synthetic, and the second to enable small-holders to retain a decent standard of living by ensuring an adequate price for his rubber".

"The shortage of labour is another barrier to any expansive - and expensive - scheme for replacement planting, or new planting, that the Government might have in mind.

One suggestion in the scheme is that new land might be felled by mechanical equipment.

Rubber circles contend that it has not yet been proved that mechanical equipment has been successful in the experiments so far carried out in the Union.

- 9 -

Another obstacle of paramount importance is the future price of rubber. One leader said: "What guarantee have we got that, after we have carried out replacement planting with high-yields, the price of rubber will be such as to make it possible for us to repay our loans?"

"Before we think of any grand-lose scheme," said one leader, "let us see, at the end of this year, what rubber companies have done voluntarily in the way of planting up existing areas following the recent lifting of the ban on new planting."

Government circles, however, declare they are aware that the modernisation of the rubber industry must be carried out as part of a continuous policy over a period of several years.

Malayan rubber estates, it is understood, have submitted counter proposals to the Government.

NEW FOOD CONTROL PLAN FOR UNION
NO LONGER SUBJECT TO SINGAPORE RULING

The Malayan Union has cut itself off from Singapore in the matter of food control by a formal notification in the Government gazette.

Mr. O.H.R. Beadles has been the Malayan Union Food Controller since April 17. The announcement cancels his previous appointment as Deputy Food Controller, as well as that of Mr. K.C. Tours as Food Controller of the Malayan Union.

This action is described by officials in Kuala Lumpur as necessary to liquidate a relic of the B.M.A. period which was overlooked a year ago.

It will, in addition, "legalise" a system of working which was accepted about 18 months ago when food control decisions were made in Kuala Lumpur for special contingencies in the Malayan Union which could not wait to be settled from Singapore.

- 10 -

With its own food controller, the Malayan Union will now be able to make its own decisions as to allocation and rationing without the possibility of over riding considerations from Singapore, but the closest cooperation will continue to be maintained between the two.

This will be necessary because for the purposes of a location, the Malayan Union and Singapore are considered as a single unit by the International Emergency Food Council.

Food and other supplies for the Malayan Union distributed by decision of the I.E.F.C. will, for the most part, continue to be shipped to Singapore and to arrange for redistribution the Malayan Union will maintain the same liaison office which has been operating in Singapore for the past 18 months.

All the rice for the east coast, Johore and Malacca will be distributed from Singapore and the system of using the other Malayan Union ports - Penang, Port Swettenham and Port Dickson - for other parts of the peninsula will be continued.

There will, however, be one change from the system which has operated so far in that, for reasons of economy and simplified transport, supplies for the most northerly areas of the east coast will be issued from Penang and Kedah by land instead of by sea from Singapore.

Arrangements are being made for rice to be sent to Kelantan and Trengganu by rail through Siam. This rice will come from Kedah's ample harvest for this season.

This departure will solve a big problem which was involved in distribution from Singapore - lack of off-loading facilities for shipping at the east coast ports concerned.

- 11 -

The Sunday Times - 22 June 1947.

SEARCH FOR ALUMINIUM IS STARTED
PROSPECTING IN JOHORE BAHRU

Prospecting for bauxite - the ore from which aluminium is obtained - has begun at Pengarrang Headland on the Johore Bahru side of the Johore Straits, just opposite Changi, following the renewal of permits for Aluminium Laboratories Limited, a subsidiary of the large Canadian company, Aluminium Limited.

Mr. H.R. Hose, representative in Singapore of Aluminium Laboratories Limited, told me that after developing, mining, shipping and accumulating a stock-pile of bauxite at Telok Mas, near Malacca, the Japanese during the occupation started exploration in south east Johore.

"This was in the area in which we had permits to prospect," he said. "They didn't get very far there however. They built a road and started stripping but did no mining.

"They also built piers and mined a very small quantity of bauxite at Tanjong Rumania, on alienated land."

Two stock-piles of bauxite ore, one fairly large one at Telok Mas and another smaller one at Tanjong Rumania, are now under the control of the Custodian of Property.

Both these accumulations were mined from alienated land by the Japanese. The Custodian will have to wait until all claimants have been dealt with before he can dispose of the mines and stock-piles.

"The Malacca stock-pile," said Mr. Hose, "is probably up to the grade which the Japanese were shipping to Japan before Japan's entry into the war."

The Japanese, he said, had also mined bauxite since 1936 at Bukit Pasir, Batu Pahat: from 1937 at Kim Kim, on the Johore coast opposite Changi; and from 1938 at Sri Medan, near Batu Pahat.

Aluminium Limited, the holding company in Canada, owns about 40 subsidiary companies altogether throughout the world, including Aluminum Laboratories Limited, and Aluminium Union Limited - the last being interested in the sale of aluminium in Malaya and the Far East and Pacific zone as a whole.

- 12 -

MALAYA HAS 100 MILLION TONS COAL

INQUIRY INTO RESOURCES

Plans for investigating Malaya's mineral resources are, at present, being considered, it is understood, and research teams are to be sent to North Borneo and Sarawak to investigate the existence of large coal deposits in those territories. As far as the Malayan Union is concerned, coal, iron, gold and bauxite appear to be the only minerals, besides tin ore, which possess reserves that can be exploited.

The valuable coal of Malaya is practically all contained within the Batu Arang field in Selangor, worked by Malayan Collieries, Limited. The Authorities state that adequate examination of this field will prove the existence of reserves of coal worth, at least, 100,000,000 tons.

Since the first operation of the mine in 1915, approximately 11,000,000 tons have been produced up to the end of 1946.

It seems clear that with the present annual scale of production, Malaya has coal reserves that will last, at least, a century, states experts.

Coal has also been found at Enggor, Perak, and the Enggor Coalfields, Limited, mined this deposit between 1925 and 1928, producing 28,500 tons. It then proved uneconomical to work.

The distribution of alluvial gold is generally known to the Chinese and the Sakais who pan it in the river sands of Malaya.

There is, however, a well-known gold belt stretching from Kelantan in the north, through west Pahang, to Negri Sembilan and Malacca in the south.

Towards the centre of this belt lies the successful Raub gold mine.

Gold is also known to occur on the Siam-Kelantan boundary and experts think there must be a suitable field for further prospecting lying between these two localities.

- 13 -

There is no data, however, which makes it possible to estimate gold reserves in the ground.

The Raub mine since 1889 until December 1945 has produced a total of 722,913 ounces of gold.

This mine suffered seriously as a result of the war, and being underground, is unlikely to start production for many months.

In the Bidor area of Perak, Chinese gold mines are being resuscitated. Here gold is an accessory mineral being recovered with tin from alluvial deposits.

A small amount of gold is also recovered by tin dredges operating in Selangor.

Iron ore deposits in Trengganu and Kelantan still exist. They were worked by the Japanese in pre-war years. Other deposits are believed to exist in Malaya, but they have not yet been investigated.

The Straits Times - 24 June, 1947.

RUBBER OUTPUT AT NEW LOW.
EXPORT RISE BY 10,000 TONS

Rubber production in the Malayan Union touched a new low last month, but exports increased by 10,000 tons during the same period. The May production was 47,136 tons, 2,000 tons less than the April total, which was the lowest for the year, and 11,000 tons less than March, when the figure was highest.

The Union's total export was 64,808 tons in May, compared with 54,438 tons in April.

This drop in production followed lower prices and was due to a slow-down among smallholders, who turned out only 18,009 tons, 6,000 tons less than in April and 13,000 less than in March, their best month.

The bigger estates, however, increased their production to 29,127 tons, 2,000 tons more than in April and their best total for the year.

Of the Union's total exports 44,767 tons were foreign and 20,041 tons for Singapore.

- 14 -

Once again America was the Union's best customer, with 23,621 tons 3,000 tons better than the April purchases and an increase of 16,000 tons over the January figure.

The United Kingdom increased her April purchases of 3,804 tons to 7,889 tons in May.

For the second time this year, Russia was a customer with a shipment of 2,763 tons. Russia's previous purchase was 950 tons in March.

After the United Kingdom and America, the Union's best customer last month was the Argentine, which took 3,800 tons, bringing her total purchases this year to nearly 19,000 tons.

The bigger exports enabled dealers to reduce their stocks and comparative figures for April and May were 66,591 tons and 49,837 tons respectively.

Estates increased their stocks, however, by nearly 5,000 tons to 24,090 tons last month.

Production of concentrated latex, which dropped from 1,553 tons in January to 381 in February and then increased steadily, reached 1,147 tons last month.

The Malayan Union's imports were reduced from 5,615 tons in April to 4,877 tons last month, the principal factor being a drastic cut in import from Siam, comparative figures for April and May being 2,459 tons and 986 tons respectively.

32 MILLION IN RUBBER REVENUE.

The 1947 estimates of revenue published today are: Rubber \$32,000,000; tin and tin ore \$19.3 millions; land and mining rents \$12.1 millions.

Tin production statistics for last month announced today give the Malayan Union a total of 2,849 long tons with a tin metal content of 2,108 tons.

Perak registered the highest total of all States with 1,822 long tons. Selangor coming next with 778 long tons. Negri Sembilan produced 91 long tons.

Figures for Pahang, Johore, Perlis and Kedah were: 56, 356, 38, 23 and 22 long tons, respectively.

Trengganu produced 19 long tons.

- 15 -

The Sunday Times - 29 June, 1947

HALF SHARE FOR TAPPERS URGED

An agreement between estates and labourers to carry on a fifty-fifty profit-sharing basis was advocated today by a leading rubber merchant in Penang.

Stating that this was "not a new experiment," he claimed that several small estates in Kedah and Province Wellesley had already tried it with "some measure of success."

Referring to the present "miniature slump," the merchant said that with the rubber price at such a low level, the fairest solution would appear to be an equal share-out of any profits or losses.

Estate owners would, on the one hand, be freed from constant worry over salary disputes and strikes, while labourers on the other hand would have the incentive to work harder.

He thought that there should be an agreement with America on the same lines as that which was in operation from the early part of the programme until late last year. This agreement provided for the supply of Malayan rubber to the United States at a fixed price and over a certain period.

Originally, Malaya undertook to ship 200,000 tons to America, but she sent only 130,000 tons and the balance was made up from rubber stocks in London. The price under that agreement was 23½ U.S. cents per pound f.o.b. Malaya.

In view of the present drop in price, the merchant suggested that if a similar agreement were reached, a fair price f.o.b. Malaya would be 18 U.S. cents per pound or about 38 cents in Malaya currency. He recalled that during the 1932 slump the price was only seven U.S. cents per pound.
